```
VZCZCXYZ0000
OO RUEHWEB

DE RUEHC #1818 3221633
ZNR UUUUU ZZH
O 171622Z NOV 08
FM SECSTATE WASHDC
TO RUEHNE/AMEMBASSY NEW DELHI IMMEDIATE 0000
RUEHUL/AMEMBASSY SEOUL IMMEDIATE 0000
INFO RUEHRL/AMEMBASSY BERLIN IMMEDIATE 0000
RUEHLO/AMEMBASSY LONDON IMMEDIATE 0000
RUEHFR/AMEMBASSY PARIS IMMEDIATE 0000
RUEHRO/AMEMBASSY ROME IMMEDIATE 0000
RUEHTV/AMEMBASSY TEL AVIV IMMEDIATE 0000

UNCLAS STATE 121818

SENSITIVE
SIPDIS

E.O. 12958: N/A
TAGS: ECON EFIN KNNP PARM IR PREL
SUBJECT: IRAN-INDIA JOINT VENTURE SHIPPING LINE IN TALKS
TO ORDER NEW VESSELS FROM SOUTH KOREAN FIRM

REF: A) STATE 104496
```

¶1. (SBU) This is an action request. Please see paragraph
three.

```
------------------
SUMMARY/BACKGROUND
------------------
```

¶2. (SBU) Recent press reports have suggested that
Iran-o-Hind Shipping is in talks with Hanjin Heavy Industries
to purchase two 80,000-dwt post-Panamax bulker vessels for
delivery in 2011. Iran-o-Hind also has two supermax tankers
under construction at Hyundai Heavy Industries for delivery
in 2009 and January 2011. On September 11, 2008, Iran-o-Hind
was designated by the U.S. under Executive Order (E.O.) 13382
because it is owned or controlled by, or acting or purporting
to act on behalf of, directly or indirectly, Islamic Republic
of Iran Shipping Lines.

In order to prevent designation of South Korean firms for
providing services to Iran-o-Hind, the Government of South
Korea should advise South Korean firms to withdraw from any
new contract discussions with Iran-o-Hind, cancel any
contracts that are already underway, and end any further
contact with Iran-o-Hind. In addition, India should advise
the Shipping Corporation of India (a state-owned firm) to
divest its 49% ownership share in Iran-o-Hind due to IRISL's
majority ownership share of the company.

```
-------------------------
OBJECTIVES/ACTION REQUEST
-------------------------
```

¶3. (SBU) Washington requests Posts approach appropriate
officials in the foreign affairs ministry and other
appropriate government agencies, as warranted, including
those responsible for finance, shipping and customs
activities, to discuss this issue. Post should pursue the
following objectives, and may draw from the information in
REFTELs on the designation of IRISL and its subsidiaries.

-- Remind host governments that Iran-o-Hind was designated by
the U.S. under Executive Order (E.O.) 13382 because it is
owned or controlled by, or acting or purporting to act on
behalf of, directly or indirectly, Islamic Republic of Iran
Shipping Lines (IRISL) (REF A).

-- Note that IRISL was mentioned in operative paragraph 11 of
UNSCR 1803 (REFTEL), which calls upon states, in accordance
with their national legal authorities and consistent with
international law, to inspect cargoes going to or from Iran,

of aircraft and vessels, at their airports and seaports,
owned or operated by Iran Air Cargo and IRISL, provided there
are reasonable grounds to believe that the aircraft or vessel
is transporting goods prohibited under UNSCR 1803 and UNSCRs
1737 and 1747. Such scrutiny was deemed appropriate because
IRISL has engaged in proliferation-related activity (REF A).

-- Remind South Korea that any provision of services by South
Korean firms to IRISL, Iran-o-Hind, or any other
U.S.-designated entities may be cause for designation of that
firm under E.O. 13382.

-- Urge the ROKG to advise South Korean firms to withdraw
from any new contract discussions with Iran-o-Hind, cancel
any contracts that are already underway, and end any further
contact with Iran-o-Hind.

-- Urge India to consider directing the Shipping Corporation
of India (a state-owned firm) to divest its 49% ownership
share in Iran-O-Hind due to IRISL's majority ownership of the
company.

REPORTING DEADLINE

¶4. (U) Please report delivery of the U.S. points and
any response within seven days of receipt of this cable.
Please slug replies for ISN, T, SCA, TREASURY, and NEA/IR.
Please use SIPDIS caption on all responses.

POINT OF CONTACT

¶5. (U) Washington point of contact for follow-up
information is Kevin McGeehan, ISN/CPI, (202) 647-5408,
mcgeehankj@state.sgov.gov.

¶6. (U) Department thanks Post for its assistance.
RICE